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Pierpaolo Croveti, CIO, Brembo SpA Group

Company

Brembo SpA

Industry

Automotive

Corporate Performance Management

- Financial close and fast close
- Statutory and management consolidation
- Capital and financial planning
- Management, statutory, capital and financial reporting

Technology Partner

- Microsoft

Key Facts

- Operations in over 70 countries
- Production sites in 16 countries
- Over 7,000 employees
- 2013 revenues: 1.6 billion (+12,8% compared to 2012)
- 2013 EBITDA: 212.1 million (13.5% of revenues; up 23.5% from 2012)

Requirements

- Unify statutory and management reporting processes within the same

The Challenge

Brembo is a global leader in the field of high-performance disc brake technology with operations on three continents, production facilities in sixteen countries, and sales channels in seventy nations worldwide. It serves as a supplier to premier manufacturers of automobiles, motorcycles and commercial vehicles worldwide as well as the racing circuit for which it also manufactures components such as clutches, seats and harnesses.

To support its growing expansion and geographic diversification, the group has made a series of strategic decisions aimed at consolidating its existing management models and aligning them to the needs of a multinational corporation. During this phase, it soon became necessary to address the growing complexity of various business processes and IT systems managed within the central finance department. The group, therefore, decided to make major investments in both its IT architecture as well as solutions to optimize financial management, control, transparency, efficiency, analysis and performance.

The Objectives

The strong collaboration between business and IT has been a driver behind its strategic decisions for the past 18 years – and Brembo has been a Tagetik customer ever since. Over this period, the group has incrementally deployed a comprehensive software environment that unifies multiple processes including financial close and fast closing, statutory and management consolidation, group financial reporting as well as budgeting, capital and financial planning.

“In the course of our subsequent deployment of Tagetik, we have established a very constructive CIO/CFO relationship,” recalls Pierpaolo Croveti, CIO of Brembo. “This step was pivotal – both in building the bridge between business and technology as well as a strong partnership between Brembo and Tagetik.”

The relationship between the two companies has grown even stronger through their mutual focus on Microsoft technologies. Through a strong partnership with Microsoft, Tagetik has been able to fully integrate its solutions with Microsoft technologies, much to the benefit of Brembo and other clients.

application environment

- Enhance and automate reporting on actual and forecast levels
- Monitor liquidity of legal entities
- Reduce manual financial processes

Benefits and Results

- Comparable data across statutory and management consolidation and reporting processes
- Automated, structured capital and financial planning process
- Dynamic, granular data management and reporting
- Model management within the finance department
- Maximum integration with Microsoft technology (e.g. Dynamics AX)

The Solution

Brembo took advantage of the subsequent developments in Tagetik over the years to streamline its closing, consolidation and reporting processes.

The solution, which was initially comprised of two separate environments, gradually evolved into a single application based on a unified pool of statutory and management data. This data is standardized – for example, with a common chart of accounts and structures – yet flexible enough to accommodate the specific requirements of different geographical regions, business divisions or even 200 single cost centers. With Tagetik, Brembo can now flexibly support its increasingly dynamic reporting requirements while utilizing highly granular data for financial analysis.

“We can generate annual, semi-annual and quarterly statutory consolidations, produce monthly management reports on 25 companies operating in 13 different currencies, and even prepare all reporting and explanatory notes for our Board of Directors – all with the same software,” explains Francesca Capoferri, Financial Statements Representative at Brembo. “All in all, the system supports about 300 different standard and ad hoc reports. Moreover, our group controllers as well as those in our subsidiaries also use the same, unified software solution for everyday tasks such as collecting, processing and reporting financial data.”

Brembo has added forecast data to this system as to support the processes of capital and financial planning – a project which was completed within just four months. The company implemented a liquidity monitoring system, first on a group level with a planned rollout for its legal entities. The Tagetik solution also supports the growing need to account for different, more stringent reporting needs in terms of forecasting and three-year planning. “In the past, we used to perform these calculations in multiple spreadsheets,” Capoferri recalls. “Over time, however, these activities simply became too complex to handle manually – aside from the risks of processing this data in an unstructured, uncontrolled environment.”

Today, Brembo manages all forecast data and processes using the same chart of accounts and structures that it uses to produce actual data. Each month, Tagetik automatically generates an extremely detailed capital and financial plan, which it breaks down into 15 separate activities that can be monitored through its built-in workflow. After drafting the P&L budget in Microsoft Dynamics AX, users can calculate taxes and depreciation in Tagetik to finish it off after all forecast and planning cycles have been run within the application.

“Since Tagetik virtually eliminates manual work, we can devote more time to activities that add value to the business and drive performance,” adds Capoferri. “Users can run detailed analyses simply and easily to investigate the origin of their numbers, track any changes, and truly understand the numbers they see.”

Business users at Brembo particularly appreciate the software’s built-in capabilities for running various what-if scenarios. By changing different variables such as the dates for invoices, payments or the start of a new loan, they can develop alternative budgets with just a few mouse clicks. The administrative side of the software is very user-friendly as well. In fact, the central department for finance, control and administration now independently manages everyday operations as well as the future software roll-out to other legal entities in the group.

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The Benefits and Results

With Tagetik, Brembo has found a truly unified solution that has responded to the changing needs of its business for almost two decades. The CFO has successfully unified various performance management processes while providing the necessary flexibility to address the specific needs of different companies throughout the group. Since the data it uses to generate statutory and management reports is now comparable, Brembo can now create more accurate forecasts, run flexible analyses, and gain visibility on the financial status throughout the group. The CIO is satisfied as well due to Tagetik’s powerful integration with Dynamics Axapta and other Microsoft technologies that accelerate the extraction, transformation and loading of financial data.

“Processes such as consolidated capital budgeting and three-year planning for a global group are highly complex – and through Tagetik, we have experienced the value of managing them in a unified solution first hand,” summarizes Crovetti. And the group isn’t finished yet. Brembo is currently evaluating options to add Tagetik’s collaborative disclosure management capabilities which are tightly integrated with Microsoft Word and PowerPoint.

About Brembo

Brembo SpA is an acknowledged world leader and innovator in the field of automotive disc brake technology. The company supplies high performance braking systems to the premier makers of automobiles, motorcycles and commercial vehicles worldwide, as well as clutches, seats, harnesses and other components for the racing sector only. The name of Brembo also has unrivalled prestige in motorsport, with more than 200 world championship titles won to date in the role of OE supplier.

The Company operates currently in 16 countries on 3 continents, with 22 production and business sites and a pool of human resources numbering over 7,000; of these, around 10% are engineering staff and product specialists working in R&D. Sales turnover in 2013 amounted to €1,566.1 million. Brembo is owner of the Brembo, AP, AP Racing, Breco, Bybre, Marchesini and Sabelt.

www.brembo.com

About Tagetik

At Tagetik our mission is understanding the complex challenges that face The Office of Finance and translating that knowledge into intuitive, enterprise-scale performance management software solutions that drive business results. With Tagetik Cloud, or on-premise, you can unify financial and operational planning; shorten your consolidation and close process; immediately analyze results, model and compare full financial statement impact of business scenarios; adjust your strategic plan; seamlessly update rolling forecasts; produce formatted and auditable financial statements and management reports; collaborate on business reviews, and automate disclosure and board reporting. We’ve built-in the financial intelligence so you can orchestrate some or all of this in one place. Find out why more than 750 customers in more than 35 countries count on Tagetik to improve efficiency, reduce risk, save money and delivers results, visit www.tagetik.com.

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